

Fiscal Note

State of Alaska
2022 Legislative Session

Bill Version:	SCS CSHB 363(FIN)
Fiscal Note Number:	4
(H) Publish Date:	8/16/2022

Identifier: HB363SCS(FIN)-DCCED-ABO-05-16-22(CC)
Title: BROADBAND: OFFICE, GRANTS, PARITY
Sponsor: EDGMON
Requester: Conference Committee

Department: Department of Commerce, Community and
Economic Development
Appropriation: Executive Administration
Allocation: Office of Broadband
OMB Component Number: 3379

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2023 Appropriation Requested	Included in Governor's FY2023 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2023	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Personal Services			190.9	190.9	190.9	190.9	190.9
Travel	15.0		15.0	15.0	15.0	15.0	15.0
Services	347.7		423.0	291.0	291.0	291.0	291.0
Commodities	37.0		27.0	7.0	7.0	7.0	7.0
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	399.7	0.0	655.9	503.9	503.9	503.9	503.9

Fund Source (Operating Only)

1061 CIP Rcpts (Other)	399.7		655.9	503.9	503.9	503.9	503.9
Total	399.7	0.0	655.9	503.9	503.9	503.9	503.9

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2022) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2023) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? Yes
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/23

Why this fiscal note differs from previous version/comments:

CC: Updated to reflect \$513.0 of Capital Improvement Project (CIP) Receipts already included the operating bill (HB 281). This version has been reduced by that amount and a fund change from Federal Receipts to CIP Receipts to be consistent with HB 281.

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2022 LEGISLATIVE SESSION

Analysis

HB 363 provides for legislative findings related to broadband and establishes the Office of Broadband, the Broadband Parity Adjustment Fund, and the Statewide Broadband Advisory Board within the Department of Commerce, Community, and Economic Development (DCCED). The Office, Fund, and Advisory Board would be repealed on June 30, 2030.

The Office of Broadband will be established as a new component in the Executive Administration and Development Results Delivery Unit. Three positions would be needed to establish the office, with two additional positions added in FY2024. Depending on grant activity and regulatory requirements that are to-be-developed, additional grant staff and additional staff with technical expertise may be needed.

Regulations will be needed to define grant processes and set the broadband cost offset rate, proceeds of which will be deposited into the Broadband Parity Adjustment Fund. Legal support services for the board and for regulations development will be needed. Contractual support services for initial and on-going rate setting will be needed, as well as contractual support in support of board initiatives. Contract support will also be necessary for planning and grant making, which may include mapping, gap analysis, or other activities. The Board does not receive travel or per diem reimbursements; however, some services costs will be needed to support the board with room rental, materials preparation, and other incidental costs. The amount of grants to be made in each fiscal year is not known.

Initial costs for the office will be funded from federal revenue from the Broadband Equity, Access, and Deployment Program (BEAD) program, which is expected to begin being received in FY2023